Testimony of Mark VanLoh Director of Aviation City of Kansas City, Missouri Before the Subcommittee on Transportation Security of the House Committee on Homeland Security

"Screening Partnership Program: Why Is a Job-Creating, Public-Private Partnership Program Meeting Resistance at TSA"

February 7, 2012

Chairman Rogers, Ranking Member Jackson Lee and Members of the Transportation Security Subcommittee, I am Mark VanLoh and I am the Director of Aviation for the City of Kansas City, Missouri. Thank you for inviting me to participate in today's hearing on the airport screener partnership program.

My testimony today addresses the airport screener partnership program based upon Kansas City's nearly 10 years of experience under the program since it began in June 2002. Kansas City International Airport is one of the country's major medium hub airports. We are served by 23 passenger and cargo airlines with approximately 200 daily flights and generate over 10 million annual passengers.

Based on our experience, the screening partnership program has worked extremely well at Kansas City. It has provided a level of screening services and security protection at least as good as, indeed, we think better than, the levels that TSA would have provided using Federal personnel. It has done so with operational efficiency and high levels of customer satisfaction. As I will discuss later on, there are a number of areas of improvement that TSA should implement to make the program even more effective and efficient.

Prescreening of airline passengers and baggage had been a component of the commercial aviation landscape for almost forty years. The FAA implemented universal prescreening on January 5, 1973, placing prescreening responsibility on the airlines. Since this became a component of airline costs, this approach resulted in a security screening workforce based generally on the lowest cost bidder, with employees paid at minimum wage, lacking experience, skills and performance incentives, and with relatively poor training. In addition to the United States, only two other countries in the world--Canada and Bermuda-relied on air carriers to foot the responsibility for aviation security screening.

/In the aftermath of the terrorist attacks on September 11, 2001, Congress promptly began to address enhancements to aviation security and made fundamental changes in the way airport passengers and property are screened. On September 21, 2001, a bill was introduced in the Senate that would place security screening responsibility in the hands of the federal government, manned by a

federal security workforce. A competing House bill proposed to utilize private screening companies under the direct supervision and control of the federal government. The Aviation and Transportation Security Act (ATSA) was passed by Congress on November 16, 2001 and signed by the President on November 19, 2001.

ATSA created a new federal agency, the Transportation Security Administration within the Department of Transportation (subsequently transferred to the Department of Homeland Security), with responsibility for security of all transportation modes. ATSA federalized security screening at more than 440 commercial airports in the United States.

As a compromise between the Senate and the House approaches to private versus federal security screeners the ATSA provided for two private screening options:

First, under 49 U.S.C. §44919, Congress created a mandatory two-year "pilot program" directing the TSA to establish a "pilot program" for private screening involving not more than five airports (one from each of the five security risk categories defined by TSA). Under that program, TSA, not the airport or the airlines, is required to contract with a private screening company at the selected airports.

Second, under 49 U.S.C. §44920, Congress authorized a "security screening opt-out program" beginning November 19, 2004, under which airports can "opt-out" of the federal screening program and have security screening performed by qualified private screening company under a contract with the TSA rather than federal screeners.

Kansas City applied for participation in the pilot program in May 2002 and was selected on June 10, 2002, as one of the five airports to participate in the pilot program, also known as PP5, along with San Francisco, Rochester, Tupalo, and Jackson Hole. These airports represented a balanced cross-section of the different airport security risk categories.

At the end of the pilot program, Kansas City had the automatic right to "elect to continue to have screening carried out by screening personnel of a qualified private screening company", and Kansas City enthusiastically chose to continue with private screening through the "opt-out" program. Actually, all of the original five airports in the program have elected to continue this partnership.

It is vitally important for Congress and TSA to recognize that a "one size fits all" approach to airport security would not work. There are vast differences in the physical layouts among the nation's airports. One of the reasons we believe Kansas City International Airport was a perfect candidate for the pilot program was because of the Airport's unique physical layout and the unique requirements for security facilities and personnel.

Kansas City International Airport has three separate semi-circular passenger terminals. The Airport was designed in the 1960's with the passenger

convenience objective of shortening the distance between the terminal entrance and the points at which passengers board aircraft. Consequently, Kansas City International Airport is unique among major airports as it is configured so that the distance between curbside and boarding bridge is only 75 feet. This unique design minimizes the distance between curbside and gate, shortens the time between arrival and boarding, and maximizes customer convenience. The lack of a central concourse also creates the need for multiple security screening locations and does not allow for central security screening that is common with more modern airport designs.

Although the airlines and our passengers are well-served by the current configuration, we are in the initial design-stage of a program to modernize Kansas City International Airport which, when completed, will have one large terminal, rather than three separate terminals. However, that project is many year away.

Based on our nearly ten years of experience under the private screening program, we think that the public-private screening program is very effective in providing high quality service to our passengers at a level of security equal to, if not better than, the level that would be provided at the airport using Federal Government employees. It is a cost-effective program that can be used to increase private sector job opportunities and reduce costs to the Federal Government. The private screening program at Kansas City has been a success and is a model for expansion of the public-private screening program for other airports throughout the country.

Relying on private entities to perform critical safety and security missions is common. There are many safety and security functions carried out by private entities with strong Federal oversight. These include consumer products and medical products manufacturing, travel through the National airspace, physical security at Federal facilities (like the U.S. DOT and FAA, for example) are activities that are conducted by private companies. These products and services are important to the safety and security of U.S. citizens but are conducted by private entities under the appropriate supervision of Federal regulation, certification, inspection and enforcement. There is no sound reason why screening services at U.S. airports cannot be delegated to private entities. We think that the public-private program has proved that it can be done so successfully, safely and with the highest level of security.

The ATSA statute ensures that the level of security provided under the private screening program remains high. This is because the law mandates that the level of screening provided at the airport under the contract program "will be equal to or greater than the level that would be provided at the airport by Federal Government personnel." 49 U.S.C. 44920 (d)(1).

The advantages of public-private screening can be summarized as follows:

- enhanced flexibility and efficiencies in personnel use and deployment.
- greater flexibility to respond to increased or decreased service requirements.
- greater flexibility to cross train and cross utilize personnel.
- not subject to federal employee "hiring freezes" and employment caps.
- more effective in dealing with non-performers.
- less expensive to the Federal Government

Kansas City has been quite satisfied with the level of performance of the private screener at Kansas City International Airport – Firstline Transportation Security, Inc., a company with longstanding experience in providing security. The quality of screener performance is high and they have demonstrated a commitment to providing a high level of customer service while not sacrificing their over-arching security responsibilities.

At the outset of the pilot program, we provided input to the TSA Federal Security Director on the critical goals and objectives for the private screening program, focusing on the external customer service issues, short lines, courteous behavior and professionalism, efficiency coupled with thorough and quality screening of our customers. Based upon the experience to date, the quality of performance of the private screeners has been very good. Kansas City is particularly conducive to a private screening workforce because of the need for flexibility to re-deploy screeners on short notice, to reschedule screener shifts to and from off-hours, and to add or delete screening checkpoints on short notice as airline services increase or decrease. In fact, several fellow airport directors have recently complained about a decrease in staffing and an increase in passenger wait times at their airports. I have the luxury in Kansas City of making one local phone call to resolve any issues and make immediate changes without the need to wait for a response from Washington.

While we believe the program has worked well for Kansas City, there are a number of areas in the way TSA oversees the private security program that should be improved.

First, TSA needs to be more flexible in its supervision of private screening companies so as to better foster improvements and innovation. The law provides for TSA oversight and requires that TSA ensures that the level of screening services and the protection afforded "will be equal to or greater than the level that would be provided

at the airport by Federal Government personnel." To fulfill that responsibility, TSA should set minimum levels of security standards and operational procedures, but give the private screeners the flexibility to provide the security in new, different, innovative and creative ways. However, as we understand it, TSA requires federal and private screeners to operate under the same procedures, including centralized procedures and facilities for screener hiring and assessments, and coordination or hiring through TSA headquarters. The law doesn't mandate a one size fits all approach.

Second, with respect to screener staffing, instead of establishing arbitrary staffing caps based on a system wide staffing model, TSA should conduct staffing analysis and operational requirements for each specific airport. We believe that this approach does not effectively account for the unique requirements of each airport, including the need for part-time screeners. Again, one size doesn't fit all. For example, staffing requirements for Kansas City International Airport's, which does not have a single central security location but are spread throughout several terminals, will be markedly different than the requirements for airports that have centralized security screening facilities.

Third, Private screening companies should have the flexibility to vary compensation/benefits to enhance screener performance. The law requires only that the private screeners receive compensation and benefits "not less than" federal screeners, but private screening companies should have flexibility to develop their own compensation plans-especially when comparing the cost of living in areas such as New York with the Midwest.

Fourth, there needs to be greater coordination with the airport operator. While TSA has the ultimate legal and operational responsibility for screening, more can be done to get the airport operator's input in the operational procedures, staffing, and other critical activities.

Fifth, screening companies must be selected on the basis of technical capabilities, performance and not just on cost. When our long-term private screening company's contract expired, TSA selected another company in large part based on price. That company TSA selected did not match the incumbent's experience and technical capabilities. These decisions simply should not be based primarily on cost otherwise we will return to the system that existed pre-9/11 where contracts were generally awarded to the lowest cost bidder, with employees paid at minimum wage, lacking experience, critical skills and performance incentives. The low cost bidder would be hard-pressed to retain experienced workers because of the need to reduce salaries/staff. And, TSA never asked Kansas City for our input on the incumbent's prior performance. The TSA's decision was challenged and eventually overturned by the United States Court of Federal Claims. *Firstline Transportation Security, Inc. v. United States, No. 11-375C, issues September 27, 2011.*

In conclusion, the public-private airport screening program has worked well and has demonstrated that under appropriate circumstances private screeners

under the direct control and supervision of the TSA will provide high levels of security, on an efficient and cost-effective basis, with enhanced customer service.

Mr. Chairman, this concludes my prepared remarks and I would be pleased to address any questions you and the members of the Subcommittee may have. Thank you for this opportunity to present Kansas City's views on this important topic.